

Budget Initiative Fact Sheet

Office: **MaineCare Services**

Date: **12/13/2011**

Initiative #: **7465 – Limit the Use of Brand-Name Drugs**

Account: **0147**

I. Budget Proposal Description:

This initiative proposes to limit the use of brand-name drugs from four per month to two per month and substitute comparable generic drugs, unless the brand-name prescription is deemed medically necessary.

II. Financial Information:

4 Years of Spending: Numbers are based on total pharmacy gross spending (before rebate)

	SFY'08	SFY'09	SFY'10	SFY'11
General Fund	73,788,172	61,302,258	52,109,465	59,214,030
Other Special Revenue				
Federal Funds	127,269,516	147,350,766	154,101,318	159,934,861
Total	201,057,688	208,653,024	206,210,783	219,148,891

Other sources of funding for program, i.e. FHM? Yes x No

III. Total Individuals Served: Currently 10,700

IV. Program Eligibility Criteria:

The Department will require prior authorization for brand-name prescriptions when members over age 18 request more than two brand-name prescriptions per month.

V. Current Budget Proposal:

1) Appropriation Increase: \$ -0-

2) Appropriation Decrease: SFY'12 SFY'13
\$ 1,224,000 6,120,000

3) Details of Budget Proposal: limiting members to receive only two brand prescriptions per month

4) Savings/Reduction Plan: Limits use of brand name drugs.

Services: Brand-name prescription medications: single-source drug, a cross-licensed drug, or an innovator drug.

5) Any contracts impacted? ☐ Yes ☒ No

VI. Legal Requirements:

Federal – subject to approval of a CMS State Plan Amendment.

State – subject to approval of State rule making and changes to 22 MRSA §3173 and 22 MRSA §3174-A.

VII. Maintenance of Effort Requirements? ☐ Yes ☒ No

VIII. Q & A follow-up after committee session held on _____
Date